



AIDE MEMOIRE

Talking points for Cabinet Paper: *Report back on the Performance-Based Research Fund review*

Date:	17 July 2020	Priority:	Medium
To:	Hon Jenny Salesa, Associate Minister of Education	METIS No:	1235345
From:	Ewan Delany, Group Manager, Tertiary Education Policy	Security Level:	In Confidence

Purpose

1. This Aide Memoire provides you with talking points to support your discussion at Cabinet's Social Wellbeing Committee meeting on Wednesday 22 July 2020.
2. The Cabinet paper *Report back on the Performance-Based Research Fund review* [METIS 1230952 refers] was lodged by your office on Thursday 16 July.
3. The Cabinet paper seeks approval for the Ministry of Education to conduct targeted consultation, during the pre-election period, on a proposed package of changes and options to the Performance-Based Research Fund (PBRF).

Proactive Release

- We recommend this aide memoire be proactively released, along with other PBRF Review papers, as part of the targeted consultation on proposed changes.

High-level talking points for your report back on the PBRF review

- The PBRF is a capped pool of funding (currently \$315 million year) that encourages and rewards high-quality tertiary education research and research-led teaching (*paragraphs 14 – 16*).
- The PBRF is reviewed periodically, and as part of the Education Work Programme, Minister Hipkins and I committed to an independent review of the fund to ensure it continues to support research excellence (*paragraph 20 - 21*).
- The Review panel engaged extensively with the tertiary education and research sectors to inform their recommendations, which they provided to me in January 2020 (*paragraph 22*).
- The Review panel concluded that the fundamentals of the PBRF are working well. However, there is scope to build a better system that reflects Government's commitments to equity and wellbeing outcomes (*paragraphs 22 - 24*).
- The changes and options I am proposing for targeted consultation are informed by the work of the Review panel, and are packaged into three key objectives (*paragraph 25 – 27*):
 - *Broadening the PBRF conception of research excellence*
 - *Enabling a more sustainable and diverse research workforce*
 - *Improving how Government supports research across the tertiary sector*
- I believe the importance of these proposed changes and the need to support an inclusive tertiary research sector has only been enhanced by the impacts of COVID-19 (*paragraph 10*).

Targeted consultation

- I seek Cabinet's agreement that during the pre-Election period, the Ministry of Education will consult on these proposals for reform (*paragraph 13*).
- I expect to bring a final package of changes to the PBRF, based on feedback from consultation, to Cabinet for approval by the end of 2020 (*paragraph 13*).

Talking points on the proposed package of changes and options for the PBRF

Broadening the PBRF conception of research excellence

- I propose broadening the conception of research excellence in the PBRF to include a fuller range of research activity and cultures (*paragraph 25.1 & Appendix 2, sections 1 - 3*).
- Under this objective, I propose options including:
 - a. Refreshing how the PBRF defines, recognises and rewards research excellence;
 - b. Reviewing subject area weightings to better reflect the costs of research.

Enabling a more sustainable and diverse research workforce

- More work needs to be done to support equity and diversity, and direct resources to undervalued areas of research excellence (*paragraph 25.2 & Appendix 2, sections 4 - 5*).
- To address this, I suggest enabling a more sustainable and diverse research workforce. Under this objective, I propose options including:
 - a. Increasing funding weightings for research portfolios assessed by the Māori Knowledge and Development and Pacific Research panels;
 - b. Additional funding weightings for researchers who identify as Māori or Pacific;
 - i. I am aware that some would like to go even further with the ethnicity weightings proposed. The shifts I propose are already quite significant, with fairly large movements in funding for what is core research funding for TEOs. I will report back on feedback from the sector following targeted consultation (*paragraph 39*).
 - c. Bringing in a 'merit relative to opportunity' concept when assessing the work of researchers - in the short term, this will help account for the varying impacts of COVID-19 on researchers' outputs, and;
 - d. Simplifying the qualifying criteria for new and emerging researchers to better support developing our workforce.

Improving how Government supports research across the tertiary sector

- I am also proposing some changes to the PBRF that will work well to improve Government support for tertiary education research (*paragraph 25.3 & Appendix 2, sections 6 - 11*).
- Under this objective, I propose options including:
 - a. Supporting the ongoing work with wānanga to co-design appropriate and sustainable research funding solutions;

- b. Supporting the New Zealand Institute of Skills and Technology (NZIST) by providing a temporary backstop of funding in the next Quality Evaluation;
- c. Potentially removing the External Research Income component to rebalance and refocus the fund on assessing and supporting research quality;
 - i. This proposal represents a significant change. There could be opportunity to move this funding towards assessing non-academic impact. It is critical that the sector is consulted on such a change, and I will report back to Cabinet with my final recommendations following targeted consultation (*paragraph 40*).

Operational changes to the PBRF

- Finally, I am also proposing operational matters for the Tertiary Education Commission (TEC) to consider (*paragraph 26 & Appendix 2, section 12*).
- These are designed to support the three key objectives of changes to the PBRF that I am proposing.
 - a. Ensuring peer-review panels are diverse and well supported;
 - b. Consulting the Sector Reference Group for the next Quality Evaluation on change implementation following this Review.

Financial implications

- There are no financial implications arising from this Cabinet paper (*paragraph 30*).
- For this reason, I am solely seeking Cabinet approval for targeted consultation, as the Associate Minister of Education (*paragraph 20*).

Implementation

- I will provide a high-level implementation timeline when I report back to Cabinet with a final package of changes for approval following targeted consultation (*paragraph 29*).
- The TEC will be responsible for the implementation of any changes and I anticipate that this will take place over the next few years, in the lead-up to the next Quality Evaluation (*paragraph 29*).